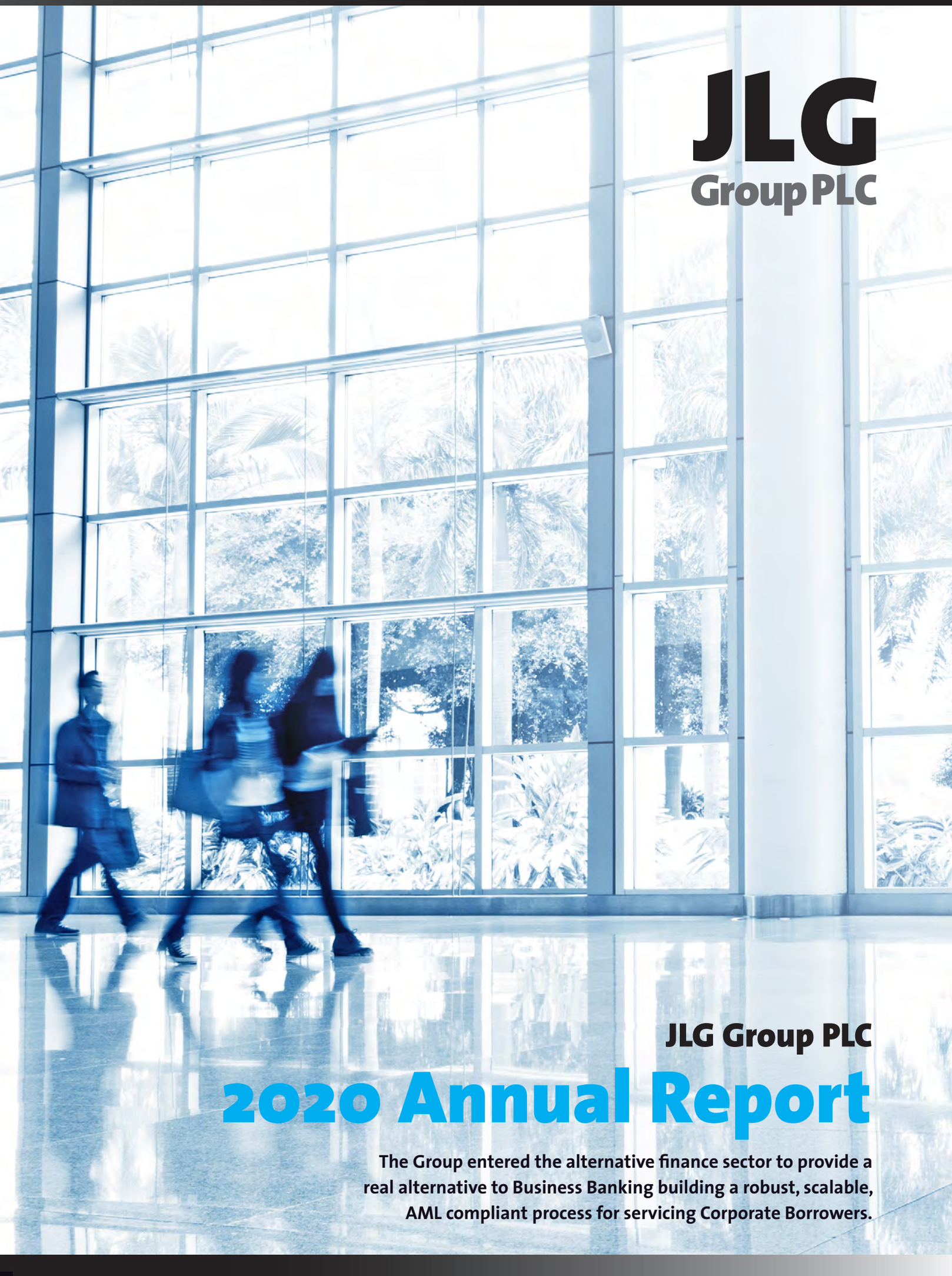


JLG Group PLC

JLG Group PLC

2020 Annual Report

The Group entered the alternative finance sector to provide a real alternative to Business Banking building a robust, scalable, AML compliant process for servicing Corporate Borrowers.

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Directors

John Davies
Executive Chairman

John McLellan
Acting Chief Executive
CEO Just Cash Flow PLC

Robert Boot FCA
Director and Company Secretary

Mike Smith
Director of Banking

Peter Ibbetson
Director (non-executive)

Susanne Chishti
Director (non-executive)

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London EC1V 9EE

Bankers
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SLC Registrars
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Brooklands Road
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Trustee
Woodside Corporate Services
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Solicitors
DWF Solicitors
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London EC3M 3AG

Maddox Legal
Octagon Point
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Stockbrokers
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Marylebone
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The Share Centre
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Oxford Road
Aylesbury
Bucks HP218SZ

Corporate Adviser
Alfred Henry
Corporate Finance Limited
Finsgate
5-7 Cranwood Street
London EC1V 9EE

bsi. ISO 9001 Quality Management ISO 22301 Business Continuity Management

AABF The Association of Alternative Business Finance

UK FINANCE

EPA EMERGING PAYMENTS ASSOCIATION

Chairman's Statement

For the year ended 31 December 2019



John Davies

I am pleased to present the results of the JLG Group and its subsidiaries (together the "Group") for the 12 months ended 31 December 2019 but before commenting on those results I must address the matter that is uppermost in everyone's mind and that is how the Company has fared during the Covid 19 pandemic.

The lockdown due to the pandemic commenced on 23rd March 2020 and we almost immediately felt the effects. Many of our customers were forced to close or partly close their businesses as their revenues were, in many cases, badly hit and they had to adjust their expenditure accordingly.

We immediately strengthened our Business Relationship team based in our Swansea office and started to contact all our customers to see what assistance we could offer. Our belief at the time, which still holds good today, was that what had been a good business pre-Covid would be very likely to be a good business post-Covid and to date so it has proved.

The nature of the assistance that the team offered was not just confined to interest payment holidays and increased facilities but also providing information such as where to find details regarding government grants and loans, where to find information on HR matters and the like. We stopped short of offering advice as we are not qualified nor authorised to do so but we tried to be as helpful as we could be and received grateful thanks from many customers. This communication with customers has stood us in good stead and whilst we know we will suffer a higher than usual rate of bad debts we are proud of the fact that the vast majority of our customers have been through the worst and are virtually back to business as usual.

Our loan book which stood at £100m immediately pre Covid declined during April, May and June by around 12% with the consequent effect on our own revenue. This decline was entirely understandable as customers chose to take advantage of the Bounce Back Loans and CBIls Loan schemes offered by government. By July those customers who wanted to had taken advantage of those initiatives and the reduction in our loan book was halted. In August and September we have seen the loan book increasing again and we are confident that it will continue to do so at an increasing pace.

A major effect of Covid has been to see a rapid deployment of technology. Within only a few days of the March lockdown our Technology team were able to deploy safe and secure remote systems to enable staff to work from home. We have continued to invest heavily in technology to improve both hardware and software that facilitate cloud working. Our priority is always our customers and we have not received any complaints from customers that their needs were not being properly serviced. The transition from office to home working was from a customers' perspective seamless. Not all staff have been working from home and our Swansea and Glasgow offices have remained open, albeit with reduced staff numbers, throughout. We are classified as an essential business and our staff our key workers but the health and safety of our staff is extremely important to us. All our offices have complied with government guidelines as a minimum and are now Covid secure environments that will allow our staff to return as appropriate.

Chairmans's Statement (continued)

For the year ended 31 December 2019

The effects from Covid are far from over but we are confident that the worst effects on our business are behind us. We were fortunate to enter the Covid era in a very strong cash position which we still enjoy today.
The emphasis now is to deploy the cash that we have available so that we can see our loan book and revenues increasing back to and surpassing the pre Covid levels and we are confident that our new initiatives will enable us to do so.

The main purpose of this report is to comment on the results for the year to 31 December 2019 but these are inextricably linked to the subsequent effects of Covid. Companies House and the Cyprus and Vienna Stock Exchanges recognised that Covid could have a material effect on some of the assets and liabilities recorded in the Group's Balance Sheet at 31 December and, as with all other companies, allowed the filing and announcement of results to be delayed to the end of September.

I am pleased to report that the Group achieved revenue for the year to 31 December 2019 of £18.5M compared with £12M for the 12 months to 31 December 2018, a 54% increase resulting in an operating profit before exceptional expenses of £6.9m, compared to £3.9M.
The exceptional cost is the impairment of the loan to PWE Holdings PLC which used to be a subsidiary of the Group until its sale to Green Ops Ltd in December 2019.

PWE operate 40 energy saving Combined Heat and Power installations in Leisure Centres around the UK. The Leisure Centres are charged for the power produced by the installations rather than the electricity from the Grid.
The consequent savings are shared and give a saving to the Leisure Centre as well as income to PWE.

However, the Centres were closed down on 23rd March and are only now starting to produce limited revenue again for PWE.
The directors have taken a prudent view of the debt due from PWE and charged an impairment of the total loan of £6.lM to the Profit & Loss account. It is hoped that this is far in excess of the possible loss and that some, if not all, of the impairment can be credited back to P&L in future years. Also included in administrative expenses is an increase of £2m in the provision for bad debts. Again it is believed that this is a very prudent view of the debtors at December 2019 and if that proves to be the case any reduction in provision will be credited back to the P&L.

The result for the year was a loss of £8.5m compared with a loss in 2018 of £10.5m but this should be seen in the context of the prudent provisions for bad debts and the PWE impairment of a total of £8.lm. Without those late provisions as a result of Covid, we would have been at virtually break even which would have been a great result and one that we were looking forward to acting as a base for the successful growth of the business.

The profit from discontinued businesses came from the sale of PWE Holdings and City Oils Group to Green Ops Ltd. Green Ops Ltd has the same shareholders as JLG Group and therefore no shareholders will lose from the sale of these businesses but the businesses will be able to operate independently rather than being non-core activities of the main lending business.

One of our major objectives in 2020 was to reduce our cost of funds and we enjoyed some success in this direction before Covid caused potential new funders to adopt an understandable "wait and see" attitude.

A reduction in cost of funds which is by far our major cost will, of course, substantially increase our profitability.

It takes a strong foundation to remain confident in uncertain times. That foundation is the result of the effort, loyalty and enthusiasm of the management and staff. I extend a warm welcome to the new members of the group particularly the senior management of Chief Technology Officer and Chief Risk Officer who joined at the beginning of 2019 and Chief Commercial Officer who joined us recently. Most importantly I thank all the staff for their hard work and loyalty during 2019 and especially during the extremely difficult 2020.



John Davies
Executive Chairman



Information on JLG Group PLC

JLG Group PLC ("JLG") - Providing alternative business finance to help fill the funding gap that has restricted the progress of UK businesses.
(Registered and incorporated in England and Wales with company number 08062555)

JLG is the parent company of the JLG Group of companies. It was founded in order to enter the commercial loan market and help fill the gap on funding that is experienced today by so many SMEs. We raise funds from private individuals, family offices and lenders by way of secured debentures, and we on-lend those funds to UK businesses seeking funding.

JLG Group has identified a clear opportunity to service Pan-European SMEs by providing a real banking alternative to the existing incumbents.

A bold aim but one we have total confidence in achieving. We are starting from a position of using rapidly evolving FinTech to provide businesses with a seamless, simple and uncomplicated lending service they can access how and when they want.

We were the first European alternative lender to provide card access for use at point of sale - exactly what SMEs wanted.

For us, technology should be invisible to the end customer, while we derive the benefits of being able to make more informed lending decisions, smarter use of information and extremely cost efficient customer acquisition.

Technology is rapidly driving change in the banking sector and attracting new players. Traditional banks are having to move at a slower pace due to challenges with their legacy systems. However, we believe existing banks will continue to play a major role in servicing SMEs and smart newcomers will benefit from adopting our open and collaborative approach.

Our immediate focus is on lending in the UK but our modelling strategy is designed to support full service business banking and to be the springboard for European expansion.

A seamless and customer focused banking service is a winning proposition.

The JLG group of companies has raised approximately £35m from issues of various debentures which are quoted on the Emerging Companies Market of the Cyprus Stock Exchange. (ECM.). The ordinary shares are also quoted on the ECM of the Cyprus Stock Exchange and on the 3rd Market of the Vienna Stock Exchange.

In addition to the Cyprus listed debentures we have a 3 institution only Bonds listed on the GEM market of the Irish Stock Exchange and have raised over £60m of funds. We also have Institutional support direct into SPVs of over £70m.

When JLG Group was formed it concentrated on lending to established companies with people who had extensive knowledge and experience in their markets. Since doing that and gaining sufficient up to date knowledge and having acquired up to date technology, the principal aim of JLG is to expand and capitalise on the experience gained and the market demand for its services. We believe that there continues to be an enormous demand for the different forms of lending to help businesses who find it difficult obtain finance from the traditional banks.

Just Cashflow PLC ("Just Cashflow") strategy is to lend to UK SME businesses that, for whatever reason, find it difficult to raise revolving credit facility finance through more traditional means. The nature of the Revolving Credit Facility means that due to the scarcity of funding it will generate a higher rate of return.

Just Cashflow seeks a return on capital of around 20% which will include arrangement and account maintenance fees. Facilities are granted for 12 months but the experience is that only an average of 80% of the facility is utilised at any time.

Just Cashflow provides Revolving Credit Facilities to businesses that cannot obtain traditional bank overdraft facilities. This may be in part due to the age of the company, its business model, the nature of its business and unsympathetic high street banks.

This facility will give the customer the flexibility to draw down only the amount required and repay it at a non-fixed date, limiting borrowing costs to times of peak cash restraint. This expected behaviour means Just Cashflow's actual returns on interest are likely to be lower than headline APR figures, in keeping with the requirements for a responsible lender.

Prior to lending, each customer must meet the criteria set out in a comprehensive underwriting process which has been developed by Just Cashflow to highlight the likely success of each business and its Directors. This "propensity model" utilises many of the new technologies available, allowing Just Cashflow to search all known record files, many currently unused by lenders, all hard fact information, as well as all the news/reports and social media referring both to the company and its directors. This gives Just Cashflow's underwriters a 'snap-shot' of not only how the company and its directors have performed historically, but also of their personal and corporate relationship in the digital world, providing greater insight as to how potential borrowers are likely to perform in the future.

Notwithstanding the "propensity model", Just Cashflow also seeks to protect its capital and has a stated target of zero capital loss.

Just Cashflow's terms of business are that funds are repayable upon demand. To ensure risk is minimised, Just Cashflow continuously monitors both the business and its directors/ shareholders. Just Cashflow is a secured lender and if the company has insufficient assets then the director/shareholders will be required to provide personal guarantees.Just Cashflow has secured £24m facilities (£21.5m drawn) from lenders which have been placed into special purpose vehicles (SPV)that are sister companies of Just Cashflow and will be used to fund additional loans Just Cashflow does not have sufficient resources to accommodate. The lenders have a priority charge over the assets of the SPVs to the extent of their loans but will have no charge over the other assets of Just Cashflow.

Just Cashflow has also secured a facility of up to £50m (£38m drawn to date) from a lender which is secured against a designated portfolio of loan facilities. The lender has a priority charge over the designated portfolio but has no charge over the other assets of Just Cashflow. The lender is raising funds via a bond listed on the Channel Islands Stock Exchange.

Due to the strict procedures and lending guidelines and, despite a number of customers finding themselves unable to meet their commitments, to date Just Cashflow has incurred a capital loss on its loans of less than 1.0%.

Information on JLG Group PLC (continued)

Who we are

JLG was formed by John Davies and Robert Boot to provide a unique corporate lending and investment service

John Davies, Robert Boot and John McLellan comprise the executive team and are supported by non-executive directors and senior executives who bring a wealth of business experience.

Return On Investment

It should be noted that the Group has incurred substantial start-up and development costs to date. These initial costs were expected and necessary to develop the Group in accordance with our plans and in the Board's opinion the Group has entered its next phase of development which is to intensify marketing, and to increase loan portfolios.

Sock Market quotation

The Group's existing shares and debentures are quoted on the Emerging Companies Market of the Cyprus Stock Exchange (ECM) and on the Third Market of the Vienna Stock Exchange (VSE).

Deal flow

The Company believes that the main flow of deals will originate from direct marketing and corporate finance intermediaries, accountants, brokers, lawyers and other professional firms with whom the Company and the directors are in contact.

Income streams
The director's consider that the Company's income will come from the following sources:

- interest on term loans
- dividends on equity investments
- management fees charged to portfolio companies
- gains on realisation of investments

The Company will ensure that its loans are all repayable within 3 years and look to exit most of its investments within a 5-year period, either through redemptions, a management buy-out, trade sale or listing on a recognised investment exchange ("IPO").



Funding

The Group has funded a wide range of industries and this is just a small selection.

Tulip Hotels

Tulip Hotels is a successful residential and commercial property developer that specialises in high quality and affordable accommodation.

Since 2011, they have been building their property portfolio and they now own and manage a diverse portfolio of flagship assets across the UK, partnering with some of the world's most recognised brands to deliver consistently high service levels and sustainable growth.

Tulip recognise that cash is the basic ingredient for every business, and this is never truer than in the property development sector. Despite business growth and significant asset generation, there are times when cash is needed for extra expenditure and improvements.



Tulip approached Just Cashflow after hearing about its Revolving Credit Facility (RCF) and were successful in their application for £50,000. The RCF gave them easy access to cash when they needed it and no charges were incurred when they weren't using it.

They benefited from a low interest rate of just 0.075% per day and weren't tied into fixed monthly capital repayments.

After running this facility for around a year, the Just Cashflow Relationship and Growth Team contacted Tulip about a flexible solution to support property professionals with secure lending up to £500,000.

A £250,000 loan realised against Tulip's existing assets, was used to secure and refurbish a number of new properties to further develop and grow the business, generating value of around £2.2 million and producing 2 new hotels.

This has given them a pipeline of acquiring more assets at around 25% less than market value which they attribute to having available cash.

Since working with Just Cashflow, Tulip has experienced the following benefits: the ability for longer term forecasting and planning greater power in their negotiations through quick access to cash being able to react quickly to opportunities

In this industry cash really is king.

"The beauty of working with Just Cashflow is the speed. Within a week of initial application we had the funds, all without having to go through unnecessary processes.

Once the facility is set up, all it takes is a quick call and the funds are made available which means we are able to be more aggressive in the market. And because the process is really hassle free, you can focus on running your business.

Funding (continued)

Most importantly, the service level provided by Just Cashflow is truly above and beyond and certainly the best I have experienced from any lender we have worked with previously.

At Tulip, we believe Power = Money + Reputation. We have worked hard to build the excellent reputation we have and by partnering with Just Cashflow, the cash is there to make the most of opportunities available to us." Varun Chadha Commercial Director

Tulip has added £10 million to its portfolio since partnering with Just Casfhlow, which is 20% more than originally forecast.

They have since leased these properties to the Local Authority for £36K per month

Revolving CreditFacility

An alternative overdraft smoothing out cashflow peaks and troughs.

Wild Rose Couture

Wild Rose Couture offers made to measure women's evening wear, all designed in their studio in England. Their customers have unparalleled choice in luxurious fabrics and handcrafted accessories all designed to create the perfect dress for any special occasion.

However, the implications of COVID-19 meant that they would not be able to continue their one to one relationships with their customers. They needed to come up with a new plan.

Linda and Haysam Maristani, Owners and Directors of Wild Rose, and their daughters Laila and Olivia initially joined an army of volunteers to start sewing scrubs for our NHS frontline staff, as part of a national campaign to provide much needed PPE.

This was followed by a contract from the Kent National Health Trust. The volume of scrubs required, along with very precise specifications in the makeup of the garments, meant additional machinery and equipment was needed to speed up the process.

They approached Just Cashflow for funding support to allow them to diversity their dress making business into creating PPE for the NHS.

Linda indicated that the process of obtaining the additional funding from Just Cashflow was really straightforward. The team were quick to respond to her queries and the funding was made available to her within days. She was very pleased with the process.

In the meantime, Linda and her family have been working day and night in order to fulfil the order requirements for this essential and much needed clothing.

Calvin Dexter

Calvin Dexter Financial Solutions came to Just Cashflow when his client, a producer of plant based 'meat' products, required funding to support the business while awaiting investment. The client's business was formed in 2017 and they started generating revenue in 2019, homing in on the increasing popularity of the plant-based meat-free meats industry.

Calvin was introduced to the client by their accountant and was asked to help source funding for working capital while awaiting additional investment into the businesses. However due to the embryonic nature of the business, which was in a loss making, development phase, it precluded Calvin from approaching the traditional lenders.

Instead he contacted Just Cashflow because he knew from experience that the team look at client cases more holistically. He liaised directly with Paul Ruddock in the underwriting team, who was able to get a good understanding of the business, both in terms of the risks as well as the opportunities.

With this in mind it was agreed to provide Calvin's client with a £100k Revolving Credit Facility, secured by an equitable charge over property. This was an ideal solution for the business as it provided funding flexibility; it gave the client access to cash when they needed it and, at the same time, when they don't need it, they don't have to pay for it. This offered them the perfect solution.

Calvin has extensive experience in the financial services industry, having worked in banking for over 20 years, followed by 12 years in Asset Based Lending. He has owned Calvin Dexter Financial Solutions for the past 7 years and works with Professional Services such as accountants, who come to Calvin when their clients need support to raise business finance.

Calvin has a strong relationship with Just Cashflow and, apart from the attraction of the Revolving Credit Facility and the benefit of its flexibility, he also enjoys the good relationship he has with his Broker Development Manager Tom Reilly. This, along with the fact he has direct access to the underwriters if he needs it means he is working with a lender who does more than look for tick boxes on a checklist.

In this case, and most importantly, Calvin's client has enjoyed the benefit of access to flexible funding to support growth and cash flow while awaiting the additional investment.

"I enjoy the relationship I have with the BDM Team and the fact I have direct access to the underwriters when I need it. JCF is a lender who does more than just look for tick boxes.'"
Calvin Dexter

Board Directors

The Company's board has a wide range of relevant experience and business-building skills.

Brief biographical details of the six Directors are set out below.



John Davies
Executive Chairman

John's passion as the founder of JLG Group PLC, is helping businesses thrive and grow by providing much needed funding where possible and sharing his hard earned business lessons.

He is Chairman of the Association of Alternative Business Finance (AABF) that has been formed to promote best practice in the UK alternative lending industry.

John also sits on the Advisory Board of the Emerging Payments Association. (EPA).

John draws on his 30 plus years of experience gained through founding and running a number of companies to give valuable guidance to existing and potential business owners.

He is frequently asked to chair or contribute at industry-wide events under the key theme of helping businesses avoid potential pitfalls and the need to focus on key business fundamentals such as planning, forecasting and managing their cash flow.



John McLellan
Chief Executive

John was Chief Operating Officer of the wholly-owned subsidiary, Just Cash Flow PLC, and is a specialist in business finance, including credit, collections and risk sectors.

Before joining the Group, John ran his own consultancy, undertaking various projects across Pan-European Financial Services providers to optimise performance and reduce costs.

Prior to starting his own business John held senior management positions with Aktiv Kapital (UK) Ltd, Cabot Financial (Europe) Ltd and Royal Bank of Scotland.

John is a former Director and Council member of the Credit Services Association and is an Associate of the Institute of Bankers in Scotland.



Robert Boot
Finance Director
and Company Secretary

Robert is a Fellow of the Institute of Chartered Accountants in England and Wales.

Robert has held senior executive and non-executive positions

in a number of industries, in particular construction services, property development, IT and Corporate Finance.

He has been responsible for, or directly involved in, listing companies on AIM, GXG, CSE, VSE, GEM and NEX.

Robert has been responsible for investment, mergers, acquisitions and sales of many SME businesses in various parts of the world including the UK, Continental Europe, Middle East, Far East, Australia and USA.

He has been a member of the Bank of England's Panel for South London since 1997 and a member of its Decision Makers Panel since 2018.



Mike Smith
Director of Banking

Mike is a retail banking specialist with many years' experience in UK and European banking. Joinging NatWest in 1981, he rose rapidly to the top managerial grade through a range of senior Head Office roles in marketing and product management.

In 2000, Mike joined the Post Office where he was initially Head of Banking and then Head of Marketing at the launch of Post Office Financial Services.

Mike joined Raphaels Bank in 2007, appointed to the Board as Commercial Director and launched the Bank's multi-currency ATM network and led its Payment Services business. Voted Industry Contributor of the Year in 2013 at the Prepaid Awards.

A Director of the Prepaid International Forum for 10 years, and was a non-executive director of Faster Payments Scheme Limited, sitting on the LINK Network Members Council and on the Payment Strategy Forum for two years delivering a new strategy for UK payments at the end of 2017.



Peter Ibbetson
Non-executive Director

Peter Ibbetson built a career in the RBS/NatWest Group spanning retail, corporate and investment banking. His last executive role was Head of Business Banking for NatWest. He has stayed close to the Group in an advisory capacity, and for a period chaired Coutts for the East of England.

He has served on Government Advisory Groups in relation to SME banking, and was a Director of the Start Up Loan Company prior to its merger into the British Business Bank.

In addition to a small non-executive portfolio, he was the founding Director of JournoLink, an online PR portal enabling SMEs to engage with the media.



Susanne Chishti
Non-executive Director

Susanne has outstanding knowledge and influence in Global FinTech. Recognised in the European Digital Financial Services 'Power 50' 2015, - an independent ranking of the most influential individuals in Europe's digital FS sector.

One of the 100 leading women in FinTech and top 15 Twitter FinTech influencers.

CEO at FINTECH Circle and the FINTECH Circle Institute, roles that benefit from her entrepreneurial and mentoring skills, alongside her FinTech and banking experience. She is regularly called upon to present at leading Global FinTech events.

The Co-Editor of the best selling book series The FINTECH Book, the first crowd-sourced book on the FinTech industry globally, the WealthTech Book and the InsurTech book.

Prior to this she held senior positions with Deutsche Bank, Lloyds Banking Group, Morgan Stanley and Accenture.

Financial Statements

For the year ended 31 December 2019





Strategic Report

For the year ended 31 December 2019

Principal activities and fair review of the business
The principal activity of The Just Loans Group PLC ("the Company") and its subsidiaries (together "the Group") is the provision of loans and equity investments.

The Directors are pleased with the progress made to date. The Group made a loss, of £2.4M before impairment of an investment (Restated 2018 - Loss of £10.8M) for the year to 31 December 2019 which was in line with expectations given the results of the investment companies.

Fund Raising

A. In order for the Group to meet its growth targets it is necessary to raise the funds to be lent out. The Group signed a £10m facility with the US fund manager SQN Capital Management in December 15. This facility has now been drawn down fully. In July 2017, the Group signed an additional facility for £4m in December 2018 and a facility with SQN Secured Income Fund for a further £10M. The Group has fully utilised these facilities. This institutional fundraising is in addition to the continued fund raising from the sale of debenture securities which are traded on the Emerging Companies Market of the Cyprus Stock.

B. In addition, at the end of 2016, The Company signed a facility agreement with an institution, who are looking to raise two issues of £50Million via Bond issues designed for institutional Investors. he proceeds of these Bond issue are loaned to the Company.

   The company has received £60M and in November 2019 we repaid one of the Bonds, £22.8M on its maturity.

C. In November 2018 the Company launched 2 of its own Bonds on the GEM market of the Irish Stock Exchange. Both Bonds are for institutional investors, one for 3 years and one for 5 years. The 3 year Bond is secured against a basket of of loan facilities of the Company.

   During the year the company resolved to extend the JCF 2023 Bond to extend to 2024 and increase the interest rate to 8%.This has raised £25 M todate via an Institution.
   It is envisage that another £25M will be raised during 2020.

D During the year the Group introduced a bond on a 364 day Bond paying 3% to meet Institutional demand.
   This has raised £35M to date.

E. This institutional fundraising is in addition to the continued fund raising from the sale of debenture securities which are traded on the Emerging Companies Market of the Cyprus Stock.

F. Equity
   In January / February 2017 the Company exchanged £4,480,000 of debentures for 3,200,000 ordinary shares at a price of £1.40 per share. An offer of exchange was made to all existing Group debenture holders but was capped at 3,200,000 shares in order to stay within the limits of the Prospectus Directive.

   The shares are quoted on the Cyprus Stock Exchange and on the 3rd market of the Vienna Stock Exchange.The Directors realise that there has been a major cash burn in building the process and platforms of the business, but they consider that the Group has adequate resources for ongoing operating expenses.

Fundraising is in place to ensure the main trading subsidiaries can achieve their targeted growth. This policy has placed it on a solid foundation in the current challenging environment to enable it to meet its current requirements and allow it to be forward thinking.

Principal risks and uncertainties
The principal risk to the Group is that the borrowers will default on their interest or capital repayments. The Group is a secured lender and all loans are generally backed by security of a minimum 150% assets of the customer and/or its shareholder directors.
The Group closely monitors the performance of the borrowers and the credit worthiness of the guarantors but the Group remains subject to the risk of fraud by the borrower.

The Group also faces risks from economic factors, including those resulting from the Covid pandemic, fluctuations in exchange rates and the ability to secure future investment

Further discussion on risk and sensitivity analysis is discussed within Note 4.

In the light of the current COVID-19 outbreak the directors have been prudent with available cash. The Company is in constant conversation with its customers.

Key performance indicators
The performance indicators relative to revenue and gross margin follows. A large amount of time by staff and external consultants has been spent in developing the processes and IT systems and most of these costs have been written off in the profit and loss account rather than capitalised. It has secured an R&D tax credit, net of costs, of £48,657 (£74,017 - 2018). There are no non-financial performance indicators being used at present.

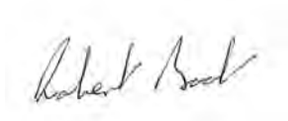
Salient points are:

	2019	2018
Group turnover	£18,554,926	£12,010,309
Gross profit for the period	£17,446,646	£9,626,886
Loss for the year before impairment	(£2,361,997)	(£10,724,251)
Impairment of investment in subsidiary	(£6,136,537)	(£114,095)
Cash and cash equivalents	£21,098,817	£23,849,185

Dependence on key personnel
Whilst the Group has entered into contractual arrangements with the aim of securing the services of its executive Directors, the retention of their services cannot be guaranteed.

Future developments
The Group continues to seek additional funding in order to finance the demand for its loan products. The additional funding will be by way of loans from institutional investors and by sale of the group's quoted bonds and debentures.

The Group is also looking to increase the range of funding options that it offers to customers and also to include additional services to help to ensure that customers remain with the Group during their own long term development.



Mr Robert Boot Director
30 September 2020

Director's Report

The directors present their report and financial statements For the year ended 31 December 2019

Principal activities
The principal activity of the company is that of the provision of commercial loans. The company provides Revolving Credit Facilities to small and medium enterprises that struggle to obtain traditional sources of funding for a variety of reasons.

Results and dividends
The results for the period are set out on page 24.

Future developments
As per the Strategic Review Report.

Directors
The following directors have held office during the period:

Mr Robert Boot

Mr John Davies

Mr John McLellan

Sir Eric Peacock
(resigned 14 February 2019)

Lord Timothy Razzall
(resigned 14 February 2019)

Ms Susanne Chishti

Mr Maxwell Ward
(resigned 2 July 2019)

Mr Ian Savage
(resigned 18 June 2019)

Mr Michael Smith
(appointed 23 November 2018)

Mr Peter Ibbetson
(appointed 18 June 2019)

Mr Simon Bullock
(appointed 18 February 2020 -resigned 31 March 2020)

Directors' interest
At the date of this report the directors held the following beneficial interest in the ordinary share capital of the Group:

	2019	2018
Robert Boot	2,505,786	2,505,786
John Davies	14,571,430	14,571,430

Substantial interests
As at 31 December 2019 the following had an interest of 3% or more in the ordinary share capital of the Group:

	Ordinary shares No.	Percentage
John Davies*	14,571,430	51.67
Eco Quest PLC	3,750,000	13.30
Carly Davies	3,250,000	11.52
Robert Boot	2,505,786	8.89

*The Group is controlled by John Davies by virtue of his shareholding in the Company.

Financial risk and management of capital
The major balances and financial risks to which the Group is exposed to and the controls in place to minimise those risks are disclosed in Note 4.

The principal current assets of the business are cash and the loan book. Therefore the principal financial instruments employed by the group are cash or cash equivalents and the Directors ensure that the business maintains surplus cash reserves to minimise liquidity risk.

A description of how the Group manages its capital is also disclosed in Note 4.

The Board considers and reviews these risks on a strategic and day-to-day basis in order to minimise any potential exposure.

Financial instruments
The group has not entered into any financial instruments to hedge against interest rate or exchange rate risk.

The debentures and bonds of the Company are secured by first floating charge over all of the assets of the group and the bonds and debentures issued by the subsidiaries are secured by first floating charge over the assets of the subsidiary.

They bear interest as per below. Interest is paid in two half yearly instalments.

	Repayment date	Annual interest
JLG Group PLC 2019 Debentures	31 December 2019	8.25%
JLG Group PLC 2020 Debentures	31 December 2020	8.75%
JLG Group PLC 2021 Debentures	31 December 2021	7.25%
JLG Group PLC 2025 Debentures	31 December 2025	7.75%
Just Cash Flow PLC 2021 Bond	31 December 2021	6.25%
Just Cash Flow PLC 2023 Bond	31 December 2023	6.75%
Just Cash Flow PLC 2024 Bond(Formerly 2023)	14 November 2021	8.00%
Just Cash Flow PLC 2021 Debentures	31 December 2021	8.25%
Just Bridging Loans PLC 2020 Debentures	31 December 2020	8.75%
JLG C1 Bond (364 day)	21 August 2020	3.00%

In December 2017 the Group successfully undertook an exchange of the 2017 Debentures in Just Finance Loans & Investments PLC bearing 8.25% annual interest, with 2021 Debentures in The Just Loans Group PLC, bearing 8.75% annual interest.

Auditors
Jeffreys Henry LLP were re-appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Due to the change in nature and structure of the Group, advantage has been taken of Section 3.15 of the 2016 Ethical Standards, allowing the audit engagement partner to continue in his role for the audit for the year ending 31 December 2019.

The further development, duration and impact of the COVID-19 cannot be predicted but JLG is well placed to support its customers and to have a forward thinking plan when we exit this uncertain time.

In response to the COVID 19, the company designed a proactive customer engagement strategy which entailed a serious of questionnaires . This allowed the business to understand the customers needs at this time. Based upon this the company have followed a number of remedies, those wishing of deferring the interest payment and of extending the facility amount and term. This coupled with the Government offering of deferral of VAT payments and loans via CBIL (Coronavirus Business interuption loan scheme) has given the customers support.

Director's Report (continued)

For the year ended 31 December 2019

Statement of directors' responsibilities
The directors are responsible for preparing the Directors' Report and the Group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

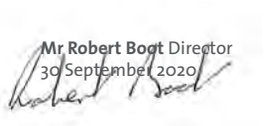
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the European Union
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and group. They are also responsible for safeguarding the assets of the company and the group hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors
Each person who is a Director at the date of approval of this Annual Report confirms that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each Director has taken all the steps that he ought to have taken as Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the board



Mr Robert Boot Director
30 September 2020

Corporate governance statement

For the year ended 31 December 2019

The board has sought to comply with a number of the provisions of the UK Corporate Governance Code ("the Code") in so far as it considers them to be appropriate to company of their size and nature. They make no statement of compliance with the Code overall and do not 'explain' in detail any aspect of the Code with which they do not comply.

The Directors have formed an Audit Committee. The Chairman of the committee is John McLellan. The other members of the Audit Committee is Susanne Chishti.

The Chairman of the Audit Committee has the right to require the attendance of the Finance Director of the Company at meetings of the committee.

The audit committee operates with the following terms of reference:

Audit committee

- To monitor the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance, reviewing significant financial reporting judgements contained in them;
- To review the Company's internal financial controls and, unless expressly addressed by a separate board risk committee composed of independent directors, or by the Board itself, to review the Company's internal control and risk management systems;
- To monitor and review the effectiveness of the Company's internal audit function;
- To make recommendations to the Board, for it to put to the shareholders for their approval in general meeting, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements; and
- To develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm, and to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

As and when the Company employs staff the Audit Committee is to review arrangements by which such staff may raise concerns about possible improprieties in matters of financial reporting or other matters so that a proportionate and independent investigation of such matters can take place, together with the instigation of appropriate follow up action.

The Audit Committee will also consider annually whether there is any need to put in place an internal audit function which, if put in place, is to be monitored and reviewed by the Audit Committee.

Internal controls

The Board is responsible for maintaining a sound system of internal controls to safeguard shareholders' investment and group assets. The Directors monitor the operation of internal controls. The objective of the system is to safeguard group assets, ensure proper accounting records are maintained and that the financial information used within the business and for publication is reliable. Any such system of internal control can only provide reasonable, but not absolute assurance against material misstatement or loss.

Internal financial control procedures undertaken by the Board include:

- Review of biannual financial reports and monitoring performance.
- Prior approval of all significant expenditure/loans including all major investment decisions.
- Review and debate of treasury policy.

The Board has reviewed the operation and effectiveness of the Group's system of internal control for the financial period and the period up to the date of approval of the financial statements.

UK Corporate Governance Code

While the Directors acknowledge the principle of a clear division of responsibilities between the running of the Board of Directors and the executive responsibility for the running of the Company's business, they consider that the Company's business can best be advanced by the Board of Directors acting as one body in making investment decisions.

The Board considers that the principle in the Code relating to relations with shareholders should also apply to relations with holders of Debentures. Although the holders of Debentures will not attend general meetings of the Company the Board believes that communication with holders of Debentures on a regular basis is important.

The Directors have considered the provision in the Code for the appointment of one of the independent Non-Executive Directors to be the senior Independent Director. At the current time the Board is not large enough to accommodate such an appointment. The Directors will however, consider the appointment of a senior Independent Director when appropriate.

Independent Auditors' report

To the members of JLG Group PLC.

Opinion
We have audited the financial statements of JLG Group Plc (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2019 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated and Company statements of financial position, the consolidated and Company statements of cash flows, the consolidated and Company statements of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2019 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006; and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern
We draw attention to note 2 in the financial statements which explains that the Group has incurred significant operating losses and negative cash flows from operations. These events or conditions, along with other matters as set out in note 2 indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit .

Key audit matter	How our audit addressed the key audit matter
Revenue recognition – Group risk The Group had total revenues of £18,554,926 (2018 - £12,010,309) all of which relates to interest income Per the IFRS standards applied interest income is to be recognised using the effective interest rate method. The calculation of interest income using this method can be complex and needs to account for the varying details of each and every facility. Management's accounting policy for revenue recognition can be found in note 2.5. The key audit matter was determined to be the accuracy of the effective interest rate applied in each loan portfolio.	We first understood management's process and key controls around revenue recognition by reviewing the processes in place and enquired about any changes to this process implemented during the year. We performed an analytical review of interest income charged on the Group's loan portfolio in total on a month by month basis and compared the effective interest in total to expectations based on the facilities sampled. We tested a sample of facilities for accuracy and completeness of revenue by agreeing the details in the Group's loan processing system to the underlying agreements with customers. For this sample we then recalculated interest to ensure the correct amount of revenue is being recognised. We traced the total revenue charged per Group's loan processing system to the accounts to ensure information is being accurately transferred.

Key audit matter

Carrying value and recoverability of loans and advances to customers and other trade receivables – Group risk
Loans and advances to customers for the Group as at 31 December 2019 were £95,135,655 (2018 - £66,315,312). This balance is net of a provision for an expected credit loss of £3,2456.784 (2018 - £1,299,553).

As at 31 December 2019 the Group had a balance of £5,492,574 due from City Fuel Services Limited included in Trade and other receivables.

Amounts due from City Oils Limited (£769,633) and PWE Limited (£6,136,537) were fully impaired at the year end.

As per the requirements of IFRS 9, financial assets held at amortised cost need to account for the impairment of expected credit losses. Management need to make an assessment based on a number of complex judgements an_d estimates relating to customer default rates and the Group's exposure in the case of default. These assumptions are based on historical results and the experience of management.

How our audit addressed the key audit matter
We first discussed with management the Group's policy for recognising a provision in line with the expected loss model per IFRS 9.

We reviewed the specific bad debt provision policy and ensured this was being applied consistently by testing a sample of loans in default with no provision and ensured the Group had sufficient security in place to warrant no provision being made.

Consideration was given to the impact of Covid-19 and the global economic downturn on the sufficiency of the provision, and the overall rate of default.

We reviewed the general provision policy and ensured the method of calculation was reasonable given historical losses as a result of default.

We recalculated the general provision to ensure accuracy.

For the balance due from City Fuels Services Limited we received an impairment review from managementwhich we reviewed and challenged the underlying assumptions.

We assessed the reasonableness of the forecasts provided and compared the inputs to recent results as well as evidence of future transactions where available.

Key audit matter

Going concern assumption – Group & Company risk
The Group is dependent upon its ability to generate sufficient cash flows to meet continued operational costs and hence continue trading.

The going concern assumption is dependent on future growth of the current business which requires additional funding to grow the scale of the business.

How our audit addressed the key audit matter
Management's going concern forecasts include a number of assumptions related to future cash flows and associated risks. Our audit work has focused on evaluating and challenging the reasonableness of these assumptions and their impact on the forecast period.

Specifically we obtained, challenged and assessed management's going concern forecast and performed procedures including:

- Verifying the consistency of key inputs relating to future costs and revenues to other financial and operational information obtained during the audit;
- Performing sensitivity analysis on managements "base case", including applying downside scenarios such as slower & restricted revenue growth and higher finance costs whilst also considering the mitigating actions highlighted by management in the event that they were required.

For the Group's borrowing needs we reviewed management's plans to refinance and raise additional funds. Special consideration was given to managements plans to refinance or repay the debentures maturing in 2020.

We assessed the reasonableness of these plans based on the current economic environment, the Group's future outlook, and management's previous record of refinancing short term borrowings.

Independent Auditors' report (continued)

To the members of JLG Group PLC.

Our application of materiality
The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality.

These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Company financial statements
Overall materiality	£278,000 (31 December 2018: £260,000).	£133,000 (31 December 2018: £79,000).
How we determined it	1.5% of revenue.	10% of profit before tax and interest.
Rationale for benchmark applied	We believe that revenue is the primary measure used by the shareholders in assessing the performance of the Group and is a generally accepted auditing benchmark.	We believe that profit before tax and interest is the primary measure used by the shareholders in assessing the performance of the Company, and is a generally accepted auditing benchmark.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between £1,000 and £278,000.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above

£13,900 for the Group (31 December 2018: £13,000) and £6,650 for the Company (31 December 2018: £3,950) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reason.

An overview of the scope of our audit
As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

How we tailored the audit scope
We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

The Group financial statements are a consolidation of 26 reporting units, comprising the Group's operating businesses and holding companies.

We performed audits of the complete financial information of the entities listed in note 12 of the financial statements with the exception of City Oils Group Limited, City Fuel Services Limited and City Fuel Services (Manchester) Limited. The entities we have performed audits for accounted for 100% of the Group's continuing revenue and loss before tax.

The Group engagement team performed all audit procedures, with the exception of the audit of City Oils Group Limited, City Fuel Services Limited and City Fuel Services (Manchester) Limited. which were performed by a component auditor.

Our involvement in the work of the component auditor included regular communication with a formal meeting arranged following the performance of the procedures. In addition, a member of the Group engagement team met with the component auditor and conducted a review of the working papers.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Group and parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Other matters which we are required to address
The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the parent Company and we remain independent of the Group and the parent Company in conducting our audit.

In addition to the audit, the firm provides tax compliance and loan book assurance services to JLG Group Plc and its subsidiaries.

Our audit opinion is consistent with the additional report to the audit committee.

Use of this report
This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sanjay Parmar
Senior Statutory Auditor

For and on behalf of
Jeffreys Henry LLP (Statutory Auditors)
Finsgate 5-7 Cranwood Street
London EC1V 9EE

30 September 2020

Consolidated statement of comprehensive income

For the year ended 31 December 2019

	Notes	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Continuing operations			
Revenue	5	18,554,926	12,010,309
Cost of sales		(1,108,280)	(2,383,325)
Gross profit		**17,446,646**	**9,626,986**
Administrative expenses before exceptional items		(10,391,806)	(10,391,806)
Administrative expenses		**(10,391,806)**	**{5,713,416)**
Operating Profit/(Loss) before exceptional items		**7,054,840**	**3,913,570**
Exceptional items*		(6,136,537)	(114,095)
Operating Profit	**6**	**918,303**	**3,799,475**
Finance costs	**8**	**(12,266,123)**	**(8,859,929)**
Loss on ordinary activities before taxation		**(11,347,820)**	**(5,060,454)**
Taxation	**9**	48,657	74,017
Continuing operations			
Profit / (Loss) from discontinued operations	**20**	2,800,629	(5,851,909)
Profit / (Loss) for the year		**(8,498,534)**	**(10 ,838,346)**
Profit/ (loss) attributable to:			
- Owners of the parent		**(7,428,836)**	**(9,910,054)**
- Non-controlling interest		**(1,069,698)**	**(928,292)**
		(8,498,534)	**(10,838,346)**
Basic and diluted loss per share (pence)	10	(26.34p)	(35.14p)
Adjusted basic and diluted loss per share (pence) for exceptional & gain on dispos	10	(4.58p)	(35.14p)

**Prior period income statemnet and all relevant notes have been restated to reflect the impact of subsidiaries disposed of in the year being treated as discont inued operations(see note 20)

The notes on pages 31 to 48 form part of these financial statements.
Approved by the Board and authorised for issue on 30 September 2020.

Consolidated statement of Financial Position

As at 31 December 2019.

	Notes	As at 31 December 2019 £	As at 31 December 2018 £
Assets			
Non-current assets			
Goodwill		392,267	392,267
Right of Use asset	12(a)	139,960	
Property, Plant and Equipment	13	19,575	14,378,144
Loans and advances to customers	14	30,860,104	18,239,886
Trade and other receivables	15	165,401	3,247,855
		31,577,307	36,258,152
Current assets			
Inventory	16	-	17,458
Loans and advances to customers	14	66,456,946	48,075,426
Trade and other receivables	15	945,526	2,194,226
Cash and cash equivalents	17	21,098,817	23,849,185
		88,501,289	74,136,295
Total assets		120,078,596	110,394,447
Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary shares	18	56,400	56,400
Share premium		4,473,600	4,473,600
Interest in own shares		(787,866)	(107,075)
Other reserves	28	1,049,662	384,521
Accumulated losses		(35,750,824)	(28,321,988)
Total equity		**(30,959,028)**	**(23,514,542)**
Non-controlling interests	20		(473,344)
		(30,959,028)	(23,987,886)
Liabilities			
Non-current liabilities			
Lease liability	12(a)	78,793	
Borrowings	22	68,939,652	77,718,947
Total non-current liabilities		**69,018,445**	**77,718,947**
Current liabilities			
Lease liability	12(a)	65,582	
Borrowings	22	78,720,074	52,502,340
Trade and other payables	21	3,233,523	4,161,047
Total current liabilities		**82,019,178**	**56,663,387**
Total liabilities		**151,037,624**	**134,382,334**
Total equity and liabilities		**120,078,596**	**110,394,449**

The notes on pages 31 to 48 form part of these financial statements.
Approved by the Board and authorised for issue on 30 September 2020.

Company statement of Financial Position

As at year 31 December 2019.

	Notes	As at 31 December 2019 £	As at 31 December 2018 £
Assets			
Non-current assets			
Right of Use asset	12	17,514	
Property, plant and equipment	13	374	747
Investments	12	701,219	651,216
Trade and Other receivables	15	7,086,899	14,783,819
		7,806,006	**8,274,185**
Current assets			
Trade and other receivables	15	19,131,760	14,673,723
Cash and cash equivalents	17	9,845,664	640,139
		28,977,424	**15,313,862**
Total assets		**36,783,430**	**30,749,644**
Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary shares	18	56,400	56,400
Share Premium		4,473,600	4,473,600
Other reserves	28	,049,662	384,521
Accumulated losses	19	(27,679,231)	(16,275,204)
Total equity		**(22,099,569)**	**(11,360,683)**
Liabilities			
Non-current liabilities			
Lease liability	12	7,778	
Borrowings	22	6,661,645	19,377,023
Current liabilities			
Lease liability	12	10,570	
Borrowings	22	20,011,878	8,595,145
Trade and other payables	21	32,191,128	14,138,159
Total liabilities		**58,882,999**	**42,110,327**
Total equity and liabilities		**36,783,430**	**30,749,644**

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the parent statement of comprehensive income. The Company's loss for the year was £11,404,027(2018: £3,055,582).

The notes on pages 31 to 48 form part of these financial statements.
Approved by the Board and authorised for issue on 30 September 2020.

Consolidated statement of Cash Flows

For the year ended 31 December 2019

	Notes	Year ended 31 December 2019	Year ended 31 December 2018
		£	£
Cash flows from operating activities			
Cash generated from operations	23	(1,972,316)	(34,007,755)
Finance costs paid		(9,442,622)	(5,690,277)
R & D Tax receipt		48,657	74,017
Net cash generated from operating activities		**(11,366,281)**	**(39,624,015)**
Cash flows from investing activities			
Purchase of PPE		(910,946)	
Disposal of investments		(2,829,229)	
Payments to acquire tangible assets			(3,519,184)
Net cash generated from investing activities		**(3,740,175)**	**(3,519,184)**
Cash flows from financing activities			
Net proceeds from issue of debenture and other loans		28,461,355	60,325,616
Purchase of own shares		(680,791)	
Principal elements of lease payments		(50,981)	
Debentures and other loans repayed		(15,373,495)	(1,666,744)
Net cash generated from financing activities		**12,356,088**	**58,658,872**
Net increase in cash and cash equivalents		**(2,750,368)**	**15,515,673**
Cash and cash equivalents at the beginning of the period		23,849,185	8,333,512
Cash and cash equivalents at end of period		**21,098,817**	**23,849,185**

The notes on pages 31 to 48 form part of these financial statements.
Approved by the Board and authorised for issue on 30 September 2020.

Company statement of Cash Flows

For the year ended 31 December 2019

	Notes	Year ended 31 December 2019	Year ended 31 December 2018
		£	£
Cash flows from operating activities			
Cash generated from operations	23	13,057,047	25,140
Finance costs paid		(379,385)	(332,149)
Net cash generated from operating activities		**12,677,662**	**(307,009)**
Cash flows from investing activities			
Payments to acquire tangible assets			(1,121)
Payments to acquire investments		-	(50,000)
Net cash generated from financing activities		**-**	**(51,121)**
Cash flows from financing activities			
Lease payments			
Net Proceeds from issue of debenture loans		211,188	-
Principal elements pf lease payments		(8,719)	-
Debentures and other loans repaid		(3,674,606)	(379,927)
Net cash generated from financing activities		**(3,472,137)**	**(379,927)**
Net increase in cash and cash equivalents		**9,205,525**	**(738,057)**
Cash and cash equivalents at the beginning of the period		640,139	1,378,196
Cash and cash equivalents at end of period		**9,845,664**	**640,139**

The notes on pages 31 to 48 form part of these financial statements.
Approved by the Board and authorised for issue on 30 September 2020.

Consolidated statement of changes in equity

For the year ended 31 December 2019

	Attributable to owners of the parent							
	Share Capital	Share Premium	Interest in own Shares	Other Reserves	Accumlated Losses	Total	Non Controlling Interest	Total Equity
	£	£	£	£	£	£	£	£
As at								
1 January 2018	**56,400**	**4,473,600**	**(58,474)**	**144,877**	**(18,411,933)**	**(13,795,530)**	**454,948**	**(13,340,582)**
Issue of New Shares			(48,601)			(48,601)		(48,601)
Share based payments	-	-	-	239,644	-	239,644	-	239,644
Loss for the year	-	-	-	-	(9,910,055)	(9,910,055)	(928,292)	(10,838,347)
As at								
31 December 2018	**56,400**	**4,473,600**	**(107,075)**	**384,521**	**(28,321,988)**	**(23,514,542)**	**(473,344)**	**(23,987,886)**
Interest in own shares	-	-	(680,791)	-	-	(680,791)	-	(680,791)
Share based payments	-	-	-	665,141	-	665,141	-	665,141
Loss for the year	-	-	-	-	(7,428,836)	(7,428,836)	(1,069,698)	(8,498,534)
Share based payments	-	-	-	-	-	-	1,543,042	1,543,042
As at								
31 December 2019	**56,400**	**4,473,600**	**(787,866)**	**1,049,662**	**(35,750,824)**	**(30,959,028)**	**-**	**(30,959,028)**

Share capital is the amount subscribed for shares at nominal value.

Other reserves represent the expenses recognised for share-based payments.

Retained losses represent the cumulative loss of the Company attributable to equity shareholders.

With the disinvestment of PWE holdings PLC and the City Oils group in december 2019, the Group has now no Non-controlling interest. During 2018 the Group, via its 100% owned subsidiary, had its stake of 70.5% in PWE Holdings PLC

The interest in own shares represent ordinary shares owned by Just Loans Group EB Trustee Limited.

The notes on pages 31 to 48 form part of these financial statements.
Approved by the Board and authorised for issue on 30 September 2020.

Company statement of changes in equity

For the year ended 31 December 2019

	Share capital	Share Premium	Other Reserves	Accumulated losses	Total equity
	£	£	£		
As at 1 January 2018	56,400	4,473,600	144,877	(13,219,622)	(8,544,745)
Interest in own shares					
Share-based payments			239,644		239,644
Loss for the year	-	-		(3,055,582)	(3,055,582)
As at 31 December 2018	56,400	4,473,600	384,521	(16,275,204)	(11,360,683)
Interest in own shares					
Share-based payments			665,141		665,141
Loss for the year	-	-		(11,404,027)	(11,404,027)
As at 31 December 2019	**56,400**	**4,473,600**	**1,049,662**	**(27,679,231)**	**(22,099,569)**

Share capital is the amount subscribed for shares at nominal value.

Other reserves represent the expenses recognised for share-based payments.

Accumulated losses represent the cumulative loss of the Company attributable to equity shareholders. Other reserves represents the expense recognised for share based payments.

The notes on pages 31 to 48 form part of these financial statements.
Approved by the Board and authorised for issue on 30 September 2020.

Notes to the Financial Statements

For the year ended 31 December 2019.

1 General information

The JLG Group PLC ("the Company", formerly known as The Just Loans Group PLC) and its subsidiaries (together, "the Group") provide Revolving Credit Facilities to Small and Medium Enterprises that struggle to obtain traditional sources of funding for a variety of reasons. The Group is based in the United Kingdom and all entities have been incorporated in the United Kingdom. The address of the registered office is disclosed on the Company information page at the front of the annual report.

The Company is a public limited Company and is listed on the Cyprus Stock Exchange and the Vienna Stock Exchange. The Group also have debentures that are listed on the Cyprus Stock Exchange and the Global Exchange Market of the Irish Stock Exchange.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.
These policies have been consistently applied to all the periods presented unless otherwise stated.

2.1 Basis of preparation

The consolidated statement of The Just Loans Group PLC have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention.

Preparation of financial statements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Going concern

The financial statements have been prepared on a going concern basis, the validity of which is dependent on the Group obtaining additional long-term financing.

The further development, duration and impact of COVID-19 cannot be predicted but JLG is well placed to support its customers and to have a forward thinking plan when we exit this uncertain time.

The Group has secured institutional funding of £344m to date of which £152m has been drawn. Included in the £344m, is a £100m bond raising. £23m which matured in November 2019 has been refinanced by the same or an alternative lender. £10m of the funding is on a 12 month agreement. The directors are confident that these will be renewed again but if not the agreement is for the loans to be repaid over a 12 month period from termination.

There are £23.7m of debentures which will mature in December 2020. Five debentures have matured in previous years and the majority of investors have reinvested the directors are therefore confident that this will be repeated if it is offered. There are £15m of Bonds of the 364 day which will mature in August 2020. It is expected these will be rolled over and be replenished with new 364 days Bonds

The Group is in discussion with a number of new funders at a significantly lower cost and the directors are confident that new funds will be obtained not only to refinance the expiring facilities but also to finance the forecast growth for at least the next 24 months. The Directors therefore believe that the necessary funding will be available to the Group to enable them to trade for the foreseeable future. However, as at the date of this report the directors acknowledge that there is material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Company has undertaken to provide continuing financial support to its subsidiaries for the foreseeable future and in any event for the next 12 months following the date of approval of the financial statements, so that such subsidiaries can pay their debts as and when they fall due.

The financial statements do not include any adjustments that would result if the necessary long-term financing was not secured by the Group and if the above support by the Company was withdrawn.

New and amended standards adopted by the Group

During the year, the Group adopted the following standards effective from 1 January 2019;

- IFRS 16 Leases
- IFRIC 23 Uncertainty over income tax treatments

IFRS 16 Leases

The adoption of this new Standard has resulted in the Group recognising a right of use asset and related lease liability in connection with all former operating leases except for those identified as low-value or having a short life of less than 12 months from the date of initial application.

The new Standard has been applied using the modified retrospective approach, with the cumulative effect of adopting IFRS 16 being recognised as an adjustment to the opening balance of Right of Use assets and lease liabilities for the current period. Prior periods are not required to be restated.

Further information on the impact of the new policy is disclosed in note 2.14.

Standards, interpretations and amendments to published standards that are not yet effective
The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial period beginning 1 January 2019 and have not been early adopted.

- IFRS 3 Business Combinations (1)
- IFRS 17 Insurance Contracts (2)
- IAS 1 Presentation of Financial Statements (1)
- IAS8 Accounting Policies, Changes in Accounting Estimates and Errors (1)

Improvements to IFRSs Uncertainty over income tax treatments

Revised conceptual framework for Financial reporting
1 Effective for annual periods beginning on or after 1 January 2020
2 Effective for annual periods beginning on or after 1 January 2021

The Directors anticipate that the adoption of these standard and the interpretations in future period will have no material impact on the financial statements of the Company.

2.2 Consolidation

(a) Subsidiaries
The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

(b) Changes in ownership interest in subsidiaries without change of control
Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries
When the Group ceases to have control any retained interest in the entity is re- measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.3 Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions. The committee has identified1 reportable segments of the business. In December 2019,the subsidiaries of PWE and City Oils group, which made up the 2018 Segmented reporting where sold to Green Ops Ltd.

A) Lending Group comprising the part of the business that provides loan facilities and ancillary services to SMEs

2.4 Financial assets and liabilities

i. Recognition and initial measurement

The Group initially recognises loans and advances, trade and other receivables/payables, and borrowings plus or minus transactions costs when and only when the Group becomes party to the contractual provisions of the instruments.

Financial assets at amortised cost

Financial liabilities at amortised cost comprise trade and other payables and debentures. They are classified as current and non-current liabilities depending on the nature of the transaction, are subsequently measured at amortised cost using the effective interest method.

The following table provides reconciliation between line items in the statement of financial position and categories of financial instruments.

31 December 2019	Amortised Cost	Total carrying amount
Cash and cash equivalents	21,098,817	21,098,817
Loans and advances to customers	97,317,051	97,317,051
Trade and other receivables	1,110,927	1,110,927
Total financial assets	**119,526,795**	**119,526,795**
Borrowings	147,659,726	147,659,726
Trade and other payables	3,233,523	3,233,523
Total financial liabilities	**150,893,249**	**150,893,249**

31 December 2018	Amortised Cost	Total carrying amount
Cash and cash equivalents	23,849,185	23,849,185
Loans and advances to customers	66,315,312	66,315,312
Trade and other receivables	5,442,081	5,442,081
Total financial assets	**95,606,578**	**95,606,578**
Borrowings	130,221,287	130,221,287
Trade and other payables	4,161,047	4,161,047
Total financial liabilities	**134,382,334**	**134,382,334**

ii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed} and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

iii. Impairment

In accordance with IFRS 9 an expected loss provisioning model is used to calculate an impairment provision. We have implemented the IFRS 9 approach to measuring expected credit losses ('ECL') arising from loans and advances to customers, being a lifetime expected credit loss. In the previous year the incurred loss model is used to calculate the impairment provision. Full details of the calculation of the ECL can be found in Note 3.1.

2.5 Revenue

Revenue comprises of interest income, arrangement, management and commission fees on financial assets. Interest income is recognised using the effective interest method. Arrangement, management and commission fees are generally recognised on the accruals basis when the service has been provided.

The effective interest method calculates the amortised cost of a financial asset and allocated the interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group takes into account all contractual terms of the financial instrument but does not consider future credit losses.

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

2.6 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

2.7 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.8 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less.

2.9 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred.

Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings consist of interest bearing debentures which are quoted.

2.10 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11 Income tax expense

Current income tax which is payable on taxable profits is recognised as an expense in the period in which the profits arise.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.12 Share-based compensation

The fair value of equity settled share-based payment awards are calculated at grant date and recognised over the period in which the employees become unconditionally entitled to the awards (the vesting period). The amount is recognised as personnel expenses in the profit and loss, with a corresponding increase in equity. The Group adopts a Black-Scholes valuations model in calculation in calculating the fair value of the share options as adjusted for an attrition rate of member of the scheme and probability of pay-out reflecting the risk of not meeting the terms of the scheme over the vesting period. The number of share options expected to vest are reviewed annually.

2.13 Investments in subsidiaries

Investments are held as non-current assets at cost less any provision for impairment. Where the recoverable amount of the investment is less than the carrying amount, impairment is recognised.

2.14 Leases

For any new contracts entered into on or after 1 January 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset {the underlying asset) for a period of time in exchange for consideration'.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset, or restore a property, at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It will also be remeasured to reflect any reassessment or modification, or if there are changes in the in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term..

2.15 Change in accounting policies

This note explains the impact of the adoption of IFRS 16 Leases on the group's financial statements and discloses the new accounting policies that have been applied from 1 January 2019 can be found below.

On adoption of IFRS 16, the group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 8%.

The Group held no assets classified as finance leases at the date of transition.

(i) Practical expedients applied

In applying IFRS 16 for the first time, the group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there were no onerous contracts as at 1 January 2019
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead,

(ii) Measurement of lease liabilities

	Group 1 January 2019 £000	Company 1 January 2019 £000
Operating lease commitments disclosed as at 31 December 2018	62	
Discounted using incremental borrowing rate at date of initial application	52	
Adjustments as a result of different treatment of termination options	108	27
Lease liability recognised in statement of financial position	160	27
Of which:		
Current lease liabilities	55	11
Non-current lease liabilities	105	16
	160	27

(iii) Measurement of right-of-use assets

Right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 31 December 2018. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application

(iv) Adjustments recognised in the balance sheet on 1 January

The change in accounting policy affected the following items in the balance sheet on 1 January 2019:

- Right of Use Assets - Increased by £139,960
- Lease liabilities - Increased by £114,376
- There was no net impact on retained earnings.

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

3 Critical accounting estimates and judgments

The Group makes certain judgements and estimates which affect the reported amount of assets and liabilities. Critical judgements and the assumptions used in calculating estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Impairment of loans and advances to customers and other receivables

IFRS 9 significantly overhauled the requirements and methodology used to assess credit impairments by transitioning to a forward- looking approach based on an expected credit loss model. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

After a detailed review, the Group devised and implemented an impairment methodology in line with the IFRS 9 requirements outlined, and have categorized loans to customers into the following stages:

- Stage 1 – as soon as a financial instrument is originated or purchased, 12-month expected credit losses are recognised in profit or loss and a loss allowance is established. This serves as a proxy for the initial expectations of credit losses.
- Stage 2 – if the credit risk increases significantly and is not considered low, full lifetime expected credit losses are recognised in profit or loss. A significant increase in credit risk is deemed to occur on:
    1. the borrower being over 12 weeks delinquent (delinquency is established when 3 weekly payment collections are missed),
    2. the borrower suffering more than 3 periods of delinquency in 12 months; or
    3. an uncorrected termination event.
- Stage 3 — if the credit risk of a financial asset increases to the point that it is considered credit-impaired, lifetime expected credit losses are recognised on these financial assets. Financial assets in this stage will generally be assessed individually.

In accordance with Stage 1 of IFRS9 and in line with our prudent commercial practices the Group maintains a general provision against its loan book, recognising 0.50% Expected Credit Losses upon writing any new facilities not secured against tangible assets. The ECL was derived by reviewing the Group's historical loss rate.

A difference of +/-0.25% in the general provision at Group level would impact the value of loans to customers by -/+ £201k.

Specific provisions are our means of accounting for stages 2 and 3 of IFRS 9.

We recognise a fundamental difference between the prospects of recovery from lending secured only by Personal Guarantees and lending secured against tangible assets (personally or of the customer or guarantors' Company). We therefore set three rules for establishing a specific provision:

Provisions are sought the earlier of:

- Demonstrable evidence is obtained proving that borrowers Net Asset Value or the value of the tangible security held by the Company does not cover 75% of the balance outstanding from the customer.
- Where we only benefit from Personal Guarantee security after a period of 6 months in Default.
- Where we benefit from Tangible security (including all forms of charges and notices) after a period of 12 months in Default.

The valuation assumed for a specific provision will always allow for a degree of subjectivity, as every deal and security structure is different. However, broadly, the Group operates to the following guidance:

- Where specific provision is required, the Group will take to provision an amount equivalent to the difference between the provable recovery (net of c osts) from known security and the balance outstanding from the customer. In the absence of provable recovery, the Group will provide for the full balance. Any and all receipts from provided for accounts will be added back under changes to provisions.

Management have considered the impact of COVID-19 on both of the following:

If the credit risk (risk of default) has increased significantly since initial recognition the estimate of ECL itself. This includes

- the credit risk (risk of default) - if debtors' business is adversely impacted by COVID-19;
- the amount at risk if the debtor defaults (exposure at default); where the debtors affected by COVID-19 might draw on existing unused borrowing facilities, or take longer than normal to pay resulting in a greater amount at risk; and
- the estimated loss as a result of default, where with COVID-19 results in a decrease in the fair value of a non financial asset pledged as collateral i.e. personal guarantees.

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

4 Financial risk management

4.1 Financial risk factors

The Group's activities may expose it to a variety of financial risks: foreign exchange risk, and credit risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. There is no way of predicting what effect COVID-19 will have. Such risks and impact are uncertain at this point in the cycle of the virus on the economy. The Government help via CBILS (Coronavirus Business Interruption loans) and the more recent Bounce Back Loan Scheme will alleviate some of the effects at a time when most of the country is in lockdown. The company has proactively engaged with its customers and actively supporting them with a number of measures.

a) Credit risk

The Group take on exposure to credit risk, which is this risk that the counterparty will be unable to pay amounts in full when due. A formal Credit Risk Policy has been agreed by the Board who review credit risk on a monthly basis. Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits when appropriate. Exposure to credit risk is also maintained by obtaining collateral, the loans to customers include a deed of indemnity and personal guarantees and the directors therefore believe there is a low risk of customer default.

The maximum exposure to credit risk for the Group was as follows:

Credit risk exposure relating to on-balance sheet assets are as follows:

	Group		Company	
	2019 £	**2018 £**	**2019 £**	**2018 £**
:				
Loans and advances to customers	97,317,051	66,315,312		
Other receivables	1,110,927	5,442,081	239,421	3,017,028
Amounts due from Group undertakings			25,979,239	26,440,514
At 31 December 2019	**98,427,978**	**71,757,393**	**26,218,660**	**29,457,542**

b) Cash flow and interest rate risk

The Group's borrowings are at a fixed rate of interest exposing the Group to fair value interest rate risk. The Group does not manage any cash flow interest rate risk.

c) Liquidity risk

The Group is careful to ensure that its loans and investments can be realised prior to the due date for the repayment of the debentures. This applies equally to the underlying investments of the companies or projects in which the Group invests.

d) Capital risk

The Group takes great care to protect its capital investments. Significant due diligence is undertaken prior to making any investment. The investment is closely monitored.

e) Market risk

A general economic downturn at a global level, or in one of the world's leading economies, could impact on the Group. In addition, terrorism and other hostilities, as well as disturbances in worldwide financial markets, could have a negative effect on the Group. Regulatory requirements, taxes, tariffs and other trade barriers, price or exchange controls or other governmental policies could also limit the Group's operations. These risks are also applicable to most companies and the risk that the Group will be more affected than the majority of companies is assessed as small.

f) Price risk

The Group's principal activity is provision of loans, the Group does not have a diversified portfolio of services and is therefore at risk.

4.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure appropriate for its growth plans.

In order to maintain or adjust the capital structure the Group may issue new shares or alter debt levels.

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

5 Segment information

As described in note 2.3, the Group's has three reportable segments of business.

Analysis of Turnover and EBITDA

Turnover	**2019**	**2018**
	£	**£**
Lending Group	18,554,926	13,165,550
CHP Microturbines		1,927,646
Contaminated Fuels		2,853,021
Intersegment eliminations		(1,155,239)
Total Group revenue	**18,554,926**	**16,790,978**

Earnings before interest and exceptional costs		
Lending Group	918,303	5,068,809
CHP Microturbines		(1,097,123)
Contaminated Fuels		(481,460)
Intersegment eliminations		(1,155,239)
Total	**918,303**	**2,334,987**
Impairment of investment		2,728,679)
Total Group operating profit	**918,303**	**(393,692)**

Segment Assets and Liabilities		
Non-current assets		
Lending Group	31,577,307	31,792,250
CHP Microturbines		14,248,027
Contaminated Fuels		362,043
Intersegment eliminations		(10,144,168)
Total Group non-current assets	**31,577,307**	**36,258,152**

Current assets		
Lending Group	88,501,289	67,388,342
CHP Microturbines		21,097,050
Contaminated Fuels		710,793
Intersegment eliminations		(15,059,890)
Total Group current assets	**88,501,289**	**74,136,295**

Non-current liabilities excluding external borrowings		
Lending Group	-	-
CHP Microturbines		5,549,367
Contaminated Fuels	-	-
Intersegment eliminations		(5,549,367)
Total	-	-
External borrowings	**68,939,652**	77,718,947
Total Group non-current liabilities	**68,939,652**	**77,718,947**
Current assets excluding external borrowings		
Lending Group	**3,233,523**	**2,710,253**
CHP Microturbines	**-**	**1,286,716**
Contaminated Fuels	**-**	**4,479,659**
Intersegment eliminations	-	(4,315,581)
Total	**3,233,523**	**4,123,010**
External borrowings	**78,720,074**	**52,502,340**
Total Group current liabilities	**81,953,597**	**56,663,387**

The group's borrowings and derivative financial instruments are not considered to be segment liabilities, but are managed by the treasury function.

All of the Group's revenue arises in the UK and all of the Group's non-current assets are held in the UK.

There are no customers who account for over 10% of revenue.

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

6 Operating loss

	2019	2018
	£	£
Operating loss is stated after charging:		
Directors emoluments	736,056	486,428
Directors fees	20,400	64,800
Operating leases	119,207	68,947
Exceptional administrative expenses	-	2,728,679
Amounts due to the auditors of the Group	-	-
Audit Fees	127,080	147,121
Non-audit fees	**57,029**	**57,335**

The Directors with regard to the COVID-19 effect on Pure World Holdings PLC, prudently have written down their loan by £6.1m and is treated as an exceptional item. This has resulted in write offs across the group of £6.8m of Intercompany balances.

7 Employee benefit expense

Employees and Directors	2019	2018
	£	£
Wages and salaries	3,046,316	2,877,747
Social security costs	372,285	290,069
Directors fees	20,400	64,800
	3,439,001	**3,232,616**

During the year a total remuneration of £141,000 (2018 - £141,000) was received by the highest- paid Director, who does not hold any share options.

The average monthly number of employees (including directors) during the year was:

	2019	2018
	Number	Number
Directors	7	7
Staff	61	42
	71	**49**

8 Finance costs

	2019	2018
	£	£
Finance cost in relation to debentures	2,894,953	2,988,424
Other interest paid	9,371,170	5,871,505
	12,266,123	**8,859,929**

9 Taxation

	2019	2018
	£	£
Total current tax	(48,657)	(290,901)
Total deferred tax	-	(747,487)
Total tax credit for the year	**(48,657)**	**(1,038,388)**
Factors affecting the tax charge for the period		
Loss on ordinary activities before taxation	**(11,347,820)**	**(5,060,454)**
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19% (2018 - 19%)	(2,156,086)	(2,256,580)
Non-deductible expenses	1,358,103	92,646
Capital allowances in excess of depreciation/amortisation	-	-
Income not taxable	(910)	(28,599)
Revenue items capitalised	-	(8,487)
R&D tax credits claimed	(48,657)	(290,901)
Previously unrecognised tax losses brought forward	(219,030)	-
Tax losses carried forward	1,017,923	1,453,533
Tax credit for the year	**(48,657)**	**(1,038,388)**

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

The Group has estimated tax losses of £35,750,827 (2018 - £25,637,655) available for carry forward against future profits.

The deferred tax assets at a rate of 19% (2018 - 17%) at the period-end of £6,792,657 (2018 - £4,358,401) has not been recognised in the financial statements due to the uncertainty of the recoverability of the amount.

The Group has estimated non-trade loan relationship deficits of £7,810,744 (2018 - £7,053,830) available for carry forward against income from non-trade loan relationships. A deferred tax asset on this deficit has not been recognised in the financial statements due to the uncertainty of the recoverability of the amount.

The Group received an R&D tax credit in the year of £48,657 (2018 - £290,901), in respect of software development.

10 Loss per share

	2019	2018
Losses attributable to ordinary shareholders (£)	(7,428,836)	(9,910,054)
Exceptional items (£)	6,136,537	
Adjusted losses attributable to ordinary shareholders (£)	(1,292,299)	(9,910,054)
Weighted average number of shares	28,200,000	28,200,000
Basic and diluted loss per share (pence)	(26.34)	(35.14)
Adjusted basic and diluted loss per share (pence) for exceptional & gain on disposal	(4.58)	(35.14)

11 Dividends

No dividends were paid or proposed for the year ended 31 December 2019 (2018 - £nil).

12 Fixed Asset Investments & Business Combinations

The Group had the following subsidiaries and associates at 31 December 2019, all of which have been included in the Group consolidation:

Name	Country of incorporation and place of business	Nature of business	Proportion of ordinary shares held by parent and Group (%)
Just Cash Flow PLC	UK	Provision of loans	100
Just Finance Loans & Investments PLC	UK	Provision of loans and equity investments	100
Just Bridging Loans PLC	UK	Provision of loans	100
Just Cash Flow (Agency) Limited	UK	Centralisation of public relation costs	100
Just Loans Group Operations Limited	UK	Centralisation of operating costs	100
Just Capital(Europe) Limited	UK	Provision of loans	100
JBL (SON) Limited	UK	Provision of loans	100
JCF SON 2 Limited	UK	Provision of loans	100
JCF (SON) Limited	UK	Provision of loans	100
JCF (SSIF} Limited	UK	Provision of loans	100
JCF 2021 Bonds PLC	UK	Provision of loans	100
JCF-PWE Limited	UK	Provision of loans	100
JLG C1 Bond PLC	UK	Provision of loans	100
JCF Transaction Services Ltd	UK	Provision of banking products	100
Just Advisory Limited	UK	Provision of loans	100
City Fuel Services Limited **	UK	Re-cycling of contaminated fuel demerged 18 December 2019	100
City Fuel Services (Manchester) Limited**	UK	Re-cycling of contaminated fuel demerged 18 December 2019	100
City Oils Group Limited ***	UK	Holding Company - demerged 18 December	100
PWE Holdings PLC***	UK	Holding Company - demerged 18 December	70.5
Pure World Energy Limited****	UK	Electricity and Heat generation demerged 18 December 2019	70.5
Just Loans Group EB Trustee Ltd	UK	Holder of Employee shares	100
Just Cash Flow (FK) Limited	UK	Dormant	100
JCF (FK1) Limited *	UK	Dormant	100
JCF (FK2) Limited *	UK	Dormant	100
JCF (FK3) Limited *	UK	Dormant	100
Just Bridging Loans (ABL) Limited	UK	Dormant	100
Just ABL 1 Limited	UK	Dormant	100
Ko-Su Limited	UK	Dormant	70
Just ISAS Limited	UK	Dormant	100
Just DevelopmentFinance Limited	UK	Dormant	100
JCF (FK4) Limited	UK	Dormant	100
Just Capital Limited	UK	Dormant	100
Just Business Finance (UK) Limited	UK	Dormant	100
Just ASL 2 Limited	UK	Dormant	100

*Shares held by Just Cash Flow (FK) Limited **Shares held by City Oils Group Limited
***Shares held by Just Finance Loans & Investments PLC ****Shares held by PWE Holdings PLC

Notes to the Financial Statements (continued)
For the year ended 31 December 2019.

12 Fixed Asset Investments & Business Combinations (Continued)

Company Investments in subsidiary undertakings	Total £
Cost or fair valuation	
At 1 January 2018	601,112
Additions	50,000
At 31 December 2018	651,216
Additions	50,003
At 31 December 2019	**701,219**

12(a) Leases

i) Amounts recognised in the balance sheet

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Lease Asset				
Buildings	139,960	-	17,514	-
Lease Liability				
Current	65,582	-	10,570	-
Non-current	78,793	-	7,778	-
	144,375		16,348	

Future minimum lease payments as at 31 December 2019 are as follows:

	£000	£000
Not later than one year	66	10
Later than one year and not later than five years	95	9
Later than five years	-	-
Total gross payments	161	19
Impact of finance expenses	(17)	(1)
Carrying amount of liability	**144**	**18**

Additions to the right-of-use assets during the 2019 financial year were £nil

ii) Amounts recognised in the statement of profit or loss

	2019 £000	2019 £000
Depreciation - Buildings	55,396	9,553
Interest expense (included in finance cost)	12,704	1,780

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

13 Property, plant and equipment

Group	Plant & Machinery	Assets under Construction	Fixtures fittings & equipment	Total
	£	£	£	£
Cost or fair valuation				
At 1 January 2019	12,393,436	3,624,759	65,614	16,083,809
Additions	-	891,746	19,200	910,946
Transfers	-	-	-	-
Disposals	(12,393,436)	(4,516,505)	(30,200)	(16,940,141)
At 31 December 2019			54,614	54,614
Accumulated depreciation				
At 1 January 2019	1,667,438	-	38,227	1,705,665
Charge for the year	943,899	-	12,757	956,656
Transfers	-	-	-	-
Disposals	(2,611,337)	-	(15,945)	(2,627,282)
At 31 December 2019	**-**	**-**	**35,039**	**35,039**
Carrying amount				
At 1 January 2019	10,725,998	3,624,759	27,387	14,378,144
At 31 December 2019	-	-	19,575	19,575

Company	Fixtures, fittings & equipment	Total
	£	£
Cost or fair valuation		
At 1 January 2019	1,121	1,121
Additions	-	-
Transfers	-	-
Disposals	-	-
At 31 December 2019	1,121	1,121
Accumulated depreciation		
At 1 January 2019	374	374
Charge for the year	373	374
Acquisition	-	-
At 31 December 2019	747	747
Carrying amount		
At 1 January 2019	747	747
At 31 December 2019	374	374

14 Loans and advances to customers

Group	2019	2018
	£	£
Non-current assets		
Loans and advance to customers	30,860,104	18,239,886
Current		
Loans and advance to customers	66,456,946	48,075,426
	97,317,050	**66,315,312**

Loans and advances to customers relates to the provision of revolving credit facilities to small and medium enterprises.
The total balance of £103,177,129 (2018 - £66,315,312)is shown net of provision for impairment of £2,049,329 (2018 - £1,229,553).

£64,353,970 (2018 - £62,076,349) of loans advanced to customers is secured against 3rd party funding.

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

15 Trade and other receivables

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Non-current				
Other receivables	165,401	3,247,855	117,626	2,938,315
Amounts due from Group undertakings	-	-	6,969,273	11,845,504
	165,401	3,247,855	7,086,899	14,783,819
Current				
Other receivables	894,924	2,052,213	100,734	73,081
Prepayments	50,602	142,013	21,060	5,635
Amounts due from Group undertakings	-	-	19,009,966	14,595,007
	945,526	2,194,226	19,131,760	14,673,723
	1,110,927	5,442,081	26,218,659	29,457,542

16 Inventory

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Materials	-	17,458	-	-
	-	17,458	-	-

17 Cash and cash equivalent

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash at banks and on hand and deposits with banks. Cash and cash equivalents at the end of the reporting period as shown in the Statement of Cash Flows can be reconciled to the related items in the Statement of Financial Position as follows:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Cash and cash equivalents	21,098,817	23,849,185	9,845,664	640,139

18 Share Capital

	2019	2018
	£	£
Allotted, called up and fully paid		
28,200,000 Ordinary shares of £0.002	56,400	56,400
	56,400	56,400

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) right; they do not confer any rights of redemption.

19 Accumulated losses

	Group	Company
	£	£
At 1 January 2018	(18,411 ,936)	(13,219,622)
Loss for the year continuing operations	(4,986,435)	(3,055,582)
Loss for the year discontinued operations	(4,923,617)	-
At 31 December 2018	(28,321,988)	(16,275,204)
Loss for the year continuing operations	(11,299,163)	(11,404,027)
Profit / for the year discontinued operations	3,870,327	-
At 31 December 2019	(35,750,824)	(27,679,231)

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

20 Discontinued operations

On 18 December 2019, JLG Group PLC disposed of it's interests in PWE Holdings PLC and City Oils Limited. These businesses have been classified as discontinued operations and consequently have not been presented as an operating segment in the segment reporting note.

The transaction was completed on 18 December 2019 and the results of the discontinued operation on the financial position of the group were as follows:

	2019 £	2018 £
Revenue	7,311,358	4,780,666
Cost of sales	(4,590,030)	(3,338,151)
Gross profit	2,721,328	1,442,515
Administrative expenses	(3,867,290)	(3,021,099)
Exceptional administrative expenses		(2,614,584)
Operating loss	(1,145,962)	(4,193,168)
Finance costs	(3,809,563)	(2,623,112)
Loss on ordinary activities before taxation	(4,955,525)	(6,816,280)
Taxation	-	964,371
Loss for the year after tax	(4,955,525)	(5,851,909)
Gain on disposal of discontinued operations	7,756,154	-
Gain on disposal	2,800,629	**(5,851,909)**
Cash flows from / (used in) discontinued operations		
Loss before taxation	(4,955,525)	(5,851,909)
Adjustments for:		
Finance costs	3,809,563	2,623,112
Non-controlling interest		
Loss on disposal of tangible assets		
Depreciation	943,899	822,930
Interest in own shares		
Changes in working capital:		
- (Increase)/ Decrease in inventory	(38,608)	26,817
- (Increase)/ Decrease in loans and trade and other receivables	(1,051,327)	(15,693,625)
- Increase/(Decrease) in trade and other payables	3,155,493	29,838,371
	1,863,495	**11,765,696**

The net liabilities which have been removed from the statement of financial position were as follows:

	2019 £
Non current assets	
Property , plant and equipment	14,392,308
Trade and other receivables	300,917
	14,693,225
Current assets	
Stock	56,066
Loans and advances	15,000,000
Trade and other receivables	1,817,176
Prepayments	104,551
Cash and cash equivalents	2,829,229
	19,807,022
Total assets	**34,500,247**
Long term borrowings	(36,643,614)
Short term borrowings	(5,444,819)
Trade and other payable	(484,148)
Accruals	(1,226,863)
Total liabilities	**(43,799,444)**
Net liabilities of the disposal	(9,299,196)
Less non controlling interest	1,543,043
	(7,756,154)
Consideration for disposal	-
Gain on disposal of discontinued operation	**7,756,154**

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

21 Trade and other payables

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade payables	-	535,967	947,375	26,711
Accruals and deferred income	1,012,194	538,283	435,313	122,944
Deferred Tax	-	-	-	-
Other payables	2,221,329	3,086,797	-	1,281,457
Amounts due from Group undertakings			30,808,440	12,707,047
	3,233,523	4,161,047	32,191,128	14,138,159

Accruals principally comprise amounts outstanding for ongoing expenses and accrued interest on issued debentures. The carrying amount of other payables approximates to its fair value.

The deferred tax arises at 19% on the fair value adjustment on the fixed assets on the acquisition of PWE Holdings PLC

22 Borrowings

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Non-current				
Debentures and other loans	68,939,652	77,718,947	6,661,645	19,377,023
Current				
Debentures and other loans	78,720,074	52,502,340	20,011,878	8,595,145
	147,659,726	130,221,287	26,673,523	27,972,168

All commissions due on debentures have been deferred against the debentures they relate to and have either been shown as non-current or current borrowings. All non-current borrowings are wholly repayable within five years. The debentures are secured by first floating charge over all of the assets of the Group, and bear interest as per below. Interest is paid in two half yearly instalments.

All loans and debentures held are secured by first floating charges over all of the assets of the relevant company carrying the debt.

	Repayment date	Annual interest
JLG Group PLC 2019 Debentures	31 December 2019	8.25%
JLG Group PLC 2020 Debentures	31 December 2020	8.75%
JLG Group PLC 2021 Debentures	31 December 2021	7.25%
JLG Group 2025 Debentures	31 December 2025	7.75%
Just Cash Flow PLC 2019 Debentures	31 December2020	8.25%
Just Cash Flow PLC 2021 Bond	31 December 2021	6.25%
Just Cash Flow PLC 2023 Bond	31 December 2023	6.75%
Just Cash Flow PLC 2024 Bond	14 November 2021	8.00%
Just Cash Flow PLC 2021 Debenture	31 December 2021	8.25%
Just Bridging PLC 2020 Debenture	31 December 2020	8.75%
JLG C1 Bond(364day)	21 August 2020	3.00%

Included within Group debentures and other loans is capitalised commission of £4,604,779 (2018 - £4,969,591). Included within Company debentures and other loans is capitalised commission of £229,571 (2018 £480,209).

Other loans are comprised of the following facilities: £37,646,411 with Escher Marwick at an interest rate of 8.5%, £20,075,000 with SQN at an interest rate of 10%.

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

23 Cash generated from operations

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Reconciliation to cash generated from operations				
Loss before taxation continuing operations	(11,347,820)	(5,060,454)	(11,404,027)	(3,055,582)
Loss before taxation discontinued operations	2,800,629	(6,816,280)	-	-
Minority share thereof				
Adjustments for:				
Finance costs	12,266,123	11,483,041	2,441,835	2,863,220
Non-controlling interest				
Loss on disposal of tangible assets		53,193		
Depreciation	1,012,052	831,450	9,926	374
Loan waivers			6,299,485	
Impairment losses	6,136,537			
Gain on disposal of discontinued operations	3,825,204			
Share based payments	665,141	239,644	665,141	239,644
Gain on bargain purchase				
Fair value of investment in associate				
Other non-cash movement		(547,680)		5,492,149
Interest in own shares				
Changes in working capital:				
- (Increase)/ Decrease in inventory	(38,608)	26,817	0	
- (Increase)/ Decrease in loans and trade and other receivable	(19,522,687)	(33,950,620)	(3,060,602)	(10,244,506)
- Increase/(Decrease) in trade and other payables	2,231,113	(266,867)	18,105,289	4,729,841
	(1,972,3160)	**(34,007,756)**	**13,057,047**	**25,140**

24 Control

The Group is controlled by John Davies by virtue of his shareholding in the Company.

25 Related party transactions

Group

As at 18 December 2019,City Fuels, a 100% owned subsidiary was demerged and sold to Green Ops lt d and as such the Group has no related party transactions with City Oils Limited.

The Group has loaned funds to Eco Quest PLC, a Company of which John Davies and Robert Boot are common directors. A loan facility agreement is in place and the Group was owed £689,648 (2018 £693,907) as at 31 December 2019. The loan has stopped accruing interest. The agreement is dated 30 June 2014. The interest charged during the year was £nil (2018 - £nil). No provision has been provided due to the liquidity of that company's holding of 750,000 shares in JLG Group PLC.

The Group has loaned funds to Kompli, a Company of which John Davies is a common director. A loan facility agreement is in place and the Group was owed £4,533,369 (2018 - £2,820,689) as at 31 December 2019. Interest is charged at 1.0% per month. The interest charged during the year was £392,741 (2018 - £222,315). The loan is guaranteed by John Davies.

Company

The Company has a loan agreement with Eco Quest PLC, a Company of which John Davis and Robert Boot are directors and shareholders for short term loans up to a maximum of £500,000 at an interest rate of 1% per month. The balance outstanding as at 31 December 2019 was £117,623 (2018- £117,623) due from Eco Quest PLC. No provision has been provided due to the liquidity of its holding of 750,000 shares in Just Loans.

The Company holds debentures in its subsidiaries and as at 31 December 2019 was due:

£611,189 (2018 - £177,771) from Just Bridging Loans PLC's 2020 Debentures
£300,000 (2018 - £200,000) from Just Cash Flow PLC's 2023 Debentures
£200,000 (2018 - £200,000) from JCF 2021 Bonds PLC's 2021 Debentures
£39,000 from JCF 2021 Debentures
£36,923 from JCF 2019 Debentures

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

25 Related party transactions

The Company made advances to its subsidiaries and as at 31 December 2019 was owed;
Nil (2018 - £11,267,733) from Just Finance Loans & Investments PLC-Written off
£9,254,383 (2018 - £6,816,719) from Just Loans Group Operation Limited
£5,845,885 (2018 - £5,457,712) from Just Cash Flow (Agency) Limited
£641,805 (2018 - £641,805) from Just Bridging Loans (ABL) Limited
£249,644 (2018 - £249,644) from JBL (SQN) Limited
£136,819 (2018 - £136,819) from JCF (SQN) Limited
£1,162,825 (2018 - £1,162,775) from Just Cash Flow (FK) Limited
£1,559 (2018 - £1,559) from Just Capital Europe Limited
£20,999 (2018 - £20,999) from JCF (SSIF)Limited
£788,038 (2018 - 106,975) from Just Loans Group EB Trustee Limited
£288,364 (2018 - £nil) from JLG C1 Bond PLC
£369 (2018- £nil) from Just Advisory Limited
£31,299 (2018 - £nil) from Just Transactions Services Limited

It owes;
£3,852,973 (2018 - £1,354,162) to Just Bridging Loans PLC
£26,938,499 (2018 - £11,302,882) to Just Cash Flow PLC
£16,966 (2018- £50,000) to JCF 2021 Bonds PLC
£24,999 (2018 - £nil) to JCF-PWE

These loans are all repayable on demand, carry no interest and are included within current asses/liabilities. The group, reflecting the Impairment of the Loan to PWE in JLFI has not charged any interest in 2019 and moving forward. In 2018 it charged £1,255,566

26 Contingent liabilities

The Group has no contingent liabilities in respect of legal claims arising from the ordinary course of business.

27 Capital commitments

There was no capital expenditure contracted for at the end of the reporting period but not yet incurred.

28 Share–based payment transaction

The measurement requirement of IFRS 2 has been implemented in respect of share options that were granted after 7 November 2002. The expenses recognised for share based payment made during the year is £905,706 (2018 - £291,795).

Vesting conditions of the options dictate that employees must remain in the employment of the Group for the whole period to qualify.

Movement in issued share options during the period

The below schedule illustrates the number and weighted average exercise price (WAEP) of, and movements in share options during the year. The options outstanding at 31 December 2019 had a WAEP of 20.5p (2018 - 55.5p) and a weighted average contracted life of 3.6 years and their exercise prices of 55.5p. All share options are settled in form of equity issued.

	2019		2018	
	No. of options	WAEP	No. of options	WAEP
Outstanding at the beginning of the period	4,817,000	-	3,125,000	-
Granted during the period	1,500,000	-	2,317,000	-
Forfeited/cancelled during the period	(2,910,000)	-	(875,000)	-
Exchanged for shares	-	-	-	-
Outstanding at the end of the period	**3,407,000**	**29.5p**	**4,817,000**	**55.5p**
Exercisable at the end of the period	**-**	**-**	**2,250,000**	**-**

The inputs into the Black-Scholes model are as follows:

	31-Dec-19	31-Dec-19	31-Dec-18	31-Dec-18
	A	B	A	B
Number of options granted	1,500,000		1,692,000	875,000
Share price at grant date	£1.40		£1.40	£1.40
Bid price discount	10%		10%	10%
Exercise price	£0.002		£1.40	£0.00
Option life in years	3.3		3.3	3.3
Risk free rate	0.72%		0.75%	0.75%
Expected volatility	60%		60%	60%
Expected dividend yield	0%		0%	0%
Fair value of options after special 20% discounts	£1.12		£0.47	£1.12

Notes to the Financial Statements (continued)

For the year ended 31 December 2019.

29 Events after the reporting period

As at 31 December 2019, China had alerted the World Health organisation (WHO) of several cases of an unusual form of pneumonia in Wuhan. However, substantive information about what has now been identified as COVID-19 only came to light in early 2020.

In response to COVID-19, the company designed a proactive customer engagement strategy which entailed a series of questionnaires. This allowed the business to understand the customers needs at this time. Based upon this the company have followed a number of remedies, including deferring the interest payment and of extending the facility amount and term. This coupled with the Government offering of deferral of VAT payments and loans via CBIL (Coronavirus Business interruption loan scheme) has given the customers support.

Notice of Annual General Meeting for the year 2019

DUE TO THE RESTRICTIONS AS A RESULT OF THE COVID-19 PANDEMIC THE 2020 AGM WILL BE HELD AT THE COMPANY'S REIGATE OFFICE AND ATTENDENCE WILL BE LIMITED TO REGISTERED SHAREHOLDERS AND PROXY HOLDERS. SEE DETAILS REGARDING SHAREHOLDERS AT THE FOOT OF THIS NOTICE.

Notice is hereby given that the 2020 Annual General Meeting of JLG Group PLC (the "Company") will be held at the office of the Company at Suite 2, RDS House, 44 Croydon Road, Reigate RH2 0NH at 10:30 hrs on Tuesday 15th December 2020 for the purpose of passing the following Resolutions, of which Resolutions numbered 1 to 4 will be proposed as ordinary resolutions and Resolutions number 5 will be proposed as a special resolution:

ORDINARY BUSINESS

1 To receive and consider the annual accounts of the Company and reports of the Directors and of the Auditor for the year ended 31 December 2019.

2 To re-elect Robert Boot as Director who retires by rotation pursuant to Article 21 of the Company's Articles of Association and who, being eligible, offers himself for re-election.

3 To reappoint Jeffreys Henry LLP as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which accounts are laid before the Company, at a remuneration to be determined by the Directors.

SPECIAL BUSINESS

4 THAT, pursuant to section 551 of the Companies Act 2006 (Act), the directors of the Company be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company up to an aggregate nominal amount of £15,000.00, provided that (unless previously revoked, varied or renewed) this authority shall expire on the date of the next annual general meeting of the Company save that the Company may make an offer or agreement before this authority expires which would or might require shares to be allotted or rights to subscribe for after this authority expires and the directors of the Company may allot shares pursuant to any such offer or agreement as if this authority had not expired.

This authority is in addition to all existing authorities under section 551 of the Act.

SPECIAL RESOLUTIONS

5. THAT, subject to the passing of resolution 4 and pursuant to sections 570 and 571 of the Act, section 561 of the Act does not apply to the allotment of equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by resolution 4 provided that this resolution shall expire on the date of the next annual general meeting of the Company, save that the Company may make an offer or agreement before this resolution expires which would or might require equity securities to be allotted for cash after this resolution expires and the directors of the Company may allot equity securities for cash pursuant to any such offer or agreement as if this power had not expired.

This power is in addition to all existing powers under section 571 of the Act.

By Order of the Board,
Robert Boot Secretary
23rd November 2020

NOTES:

1 A member who is entitled to attend and vote at the above Annual General Meeting may appoint one or more proxies to attend and (on a poll) vote on his/her behalf. A proxy need not be a member of the Company. A proxy form for use by members at this meeting accompanies this notice.

2 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such authority, must be deposited at the Company's registered office at 1 Charterhouse Mews, London EC1M 6BB by no later than 10.30 a.m. on Sunday 13th December 2020 or 48 hours before the time of the holding of any adjournment of the Annual General Meeting.

3 Completion and return of the proxy form does not preclude a member from attending and voting at the meeting in person.

4 In accordance with the permission in Regulation 41 of The Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), only those holders of ordinary shares who are registered on the Company's share register at 9.00 a.m. on Monday 14th December 2020 shall be entitled to attend the above Annual General Meeting and to vote in respect of the number of shares registered in their names at that time. Changes to entries on the share register after 9.00 a.m. on Monday 14th December 2020 shall be disregarded in determining the rights of any person to attend and/or vote at the Annual General Meeting.

5 A register of the interests of each Director in shares of the Company and coPLCs of the Directors' contracts of service are available for inspection at the registered office of the Company during usual business hours on any week day (Saturday, Sunday and public holidays excepted) up to and including the date of the annual general meeting for 2020 and then at the place of the meeting fifteen minutes prior to and until the close of the meeting.

6 If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman will make the necessary notifications to the Company. As a result, any member holding 3% or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make a separate notification to the Company.

NOTE

ONLY SHAREHOLDERS ARE ENTITLED TO ATTEND THE MEETING AND VOTE ON THE RESOLUTIONS. DEBENTURE HOLDERS ARE NOT ENTITLED TO ATTEND, SPEAK OR VOTE.

IF YOUR SHARES ARE HELD IN A NOMINEE ACCOUNT SUCH AS THE SHARE CENTRE. YOU CANNOT VOTE UNLESS THE SHARE CENTRE APPOINT YOU AS PROXY. THIS IS BECAUSE YOUR SHARES ARE REGISTERED IN THE NAME OF YOUR NOMINEE. IF YOU COMPLETE A VOTING FORM YOUR VOTE WILL BE PASSED TO YOUR NOMINEE WHO WILL VOTE ON YOUR BEHALF.

IF YOU HAVE BEEN VALIDLY APPOINTED AS A PROXY AND WISH TO ATTEND THE AGM REMOTELY PLEASE CONTACT INFO@THEJUST-GROUP.COM TO REQUEST THE NECESSARY URL.

A SEPARATE PROXY FORM IS ENCLOSED.

The Just Loans Group PLC has been certified by BSI to ISO 9001:2015 and 22301:2012 under certificate numbers FS 668057, BCMS 668054.

One of the seven founder members of the Association of Alternative Business Finance (AABF).

The first alternative commercial lender to become an Associate Member of UK Finance.

We are a benefactor of 'Project Rome', the campaign from the Emerging Payments Association (EPA) lobbying for fairer access to payments infrastructure through FinTech providers.

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